

2003.481



June 30, 2005

Ms. Elizabeth O'Donnell  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard, P.O. Box 615  
Frankfort, Kentucky 40602-0615

RECEIVED  
JUN 30 2005  
PUBLIC SERVICE  
COMMISSION

Dear Ms. O'Donnell:

Re: East Kentucky Power Cooperative, Section DSM - 2  
Touchstone Energy Home Program  
Annual Report

In accordance with Wholesale Tariff Section DSM - 2, the Touchstone Energy Home Program, East Kentucky Power Cooperative hereby submits its annual report for this program for calendar year 2004.

This report includes the number of participants in the Touchstone Energy Home Program at EKPC's Member Systems, the total cost of rebates paid by EKPC and the Member Systems, labor and administrative costs and other associated costs incurred by EKPC; and the status of the rebate program.

Please feel free to contact me if you have any questions about this report.

Very truly yours,

A handwritten signature in cursive script that reads 'William A. Bosta'.

William A. Bosta  
Pricing Manager

gpm  
Attachment

<p align="center"><b>East Kentucky Power Cooperative, Inc.</b>  <b>Touchstone Energy Home Program Costs - 2004</b></p>
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**I. Number of Participants as of December 31, 2004**

<u>Cooperative</u>	<u>Participants</u>
Jackson Energy	8
Salt River RECC	1
Inter County ECC	3
Owen EC	2
Clark Energy	1
Nolin RECC	3
South Kentucky RECC	21
Grayson RECC	<u>5</u>
System Totals	44

**II. Annual Costs**

A. Cost of Rebates

<u>Cooperative</u>	<u>Rebates Paid by EKPC</u>	<u>Rebates Paid by Cooperative</u>	<u>Total Rebates Paid to Customers</u>
Jackson Energy	\$2,575	\$2,575	\$5,150
Salt River RECC	\$375	\$375	\$750
Inter County ECC	\$1,050	\$1,050	\$2,100
Owen EC	\$450	\$450	\$900
Clark Energy	\$300	\$300	\$600
Nolin RECC	\$900	\$900	\$1,800
South Kentucky RECC	\$3,850	\$3,850	\$7,700
Grayson RECC	<u>\$2,500</u>	<u>\$2,500</u>	<u>\$5,000</u>
System Totals	\$12,000	\$12,000	\$24,000

	<u>Amount</u>
B. Administrative/Labor Costs	\$12,736
C. Subcontractors/Consultants/Vendor Expenses	\$10,746
D. Blower Door Tests	\$5,625
E. Other Performance Tests	\$1,590
Total Annual Costs incurred by EKPC	<b>\$42,697</b>

**III. Status of the Rebate Program**

All rebate programs remain in effect.